ANALYSIS · MONDAY, OCTOBER 26, 2026

M&A Deal-Making Remains Strong as Delivery Models Evolve

Three key factors are shaping mergers and acquisitions in the outsourcing space: AI, predictable cash flows, and geopolitics.

BY **MANOJ SHARMA** · 5 MIN READ

Companies with large U.S.-based clients are most valuable to PE and VC players. Photo by Vitaly Gariev / Unsplash

Private equity (PE) and venture capital investment activity is growing across Latin America, per the latest TTR Data (https://www.ttrdata.com/en/?ref=nearshoreamericas.com)and Datasite data. The IT and BPO outsourcing industry is capturing a significant part despite AI and automation reshaping buyers' preferences.

> **A CRM company may not have the capability to manage end transactions and end customers, but BPM companies are filling the gap. That brings better returns on investment.**
>
> Akash Karnik, Global CEO of 1Point1 Solutions

Three Forces Reshaping Outsourcing M&A

Three key factors are shaping mergers and acquisitions in the outsourcing space: AI, predictable cash flows, and political uncertainty:

i) Outsourcing companies are reinventing themselves as AI reshapes industries. Companies are trying hard to move beyond domain expertise (https://nearshoreamericas.com/bpo-partners-sometimes-fail-heres-what-to-do-next/), which has helped attract investors, according to industry stakeholders.

Akash Karnik, Global CEO of 1Point1 Solutions, told *Nearshore Americas that* AI has created a level playing field. Business process management (BPM) firms are expanding beyond customer services to offer end-to-end services, and managed service providers (MSPs) are doubling down on drawing predictable cash flows.

(https://nearshoreamericas.com/content/images/2026/10/Nearshore-Americas-2-1.png)

Akash Karnik
Global CEO of 1Point1 Solutions

“There was a time when IT companies used to take a larger share of business – be it the TCSs of the world or Accenture or Infosys – and they still hold a strong market, but their price proposition is becoming very difficult,” says Karnik.

BPM companies like 1Point1 are adopting an “inward consolidation strategy”. They work as strategic partners rather than a third-party player, increasing revenue and prospects as a valuable asset.

“A new client no longer looks at IT services separately from BPO services, as BPOs have made a mark in IT. The ITES part, which BPM companies were known for, has taken a larger share of customer relationship management (CRM) business, transactions business, and AI initiatives,” he says.

To read the complete article, please visit: https://nearshoreamericas.com/m-a-deal-making-remains-strong-as-delivery-models-evolve/

ABOUT THE AUTHOR

Manoj Sharma
Manoj is Managing Editor at Nearshore Americas. He has been a business journalist for over 15 years, including a stint as senior editor at Fortune India.